

SN-03 Data Response

Request No.: BPA-CC-006

Request: Witnesses: Faddis, *et al.*
 Exhibit: SN-03-E-CC-01
 Page(s): Page 16, lines 14-16

What is the “duty” referenced to here? Include any cite to statute or regulation.

Response:

The Customer Coalition objects to this data request on the basis that it calls for a legal opinion and that SN-03-E-CC-01 provides policy testimony. Notwithstanding and without waiving this objection, Mr. Wolverton answers as follows.

The referenced testimony states that BPA has neglected its duty to consider the economic impact on its customers of the proposed SN CRAC rate increase. At the policy level, BPA often speaks of its stewardship role, e.g., “all BPA’s managers and employees take the stewardship role that has been entrusted to them very seriously. We know that our customers and the Northwest public expect improvement in the results for which we are responsible, and we intend to deliver on those expectations.” What Led to the Current BPA Financial Crisis? A BPA Report to the Region at vii (April 2003). The referenced “duty” refers generally to BPA’s obligation to manage the federal resources to provide power at the lowest possible cost and, thereby, support the Northwest economy. While this is policy testimony, we note that BPA has obligations under § 5 of the Flood Control Act of 1944 (“ . . . at the lowest possible rates to consumers consistent with sound business principles . . .”) and under § 2 (2) of the Pacific Northwest Electric Power